

Blocks Higher Premiums for Medicare Part B Recipients

WASHINGTON - U.S. Rep. Harry Mitchell today voted to protect seniors facing an increase in their 2010 Medicare Part B premiums who did not see a cost-of-living increase in their Social Security benefits. H.R. 3631, the Medicare Premium Fairness Act, passed by an overwhelmingly bipartisan vote of 406 to 18.

"Allowing seniors to struggle with higher Medicare premiums while Social Security benefits remain flat is just not an option," Mitchell said. "While this is a stop-gap measure to protect seniors in the next year, we must take action to lower health care costs and strengthen Medicare so our seniors don't have to choose between paying the bills or getting the health care they need."

The Social Security Administration is projecting no cost-of-living increases for the next two years because the adjustments are pegged to inflation, which has been negative this year, largely because energy prices are below 2008 levels. [Source: [Associated Press](#), September 24, 2009]

Currently, many seniors and disabled Americans are not covered by a current law that ensures that most seniors do not see a decrease in their Social Security benefits if the Part B premiums increase. The Medicare Premium Fairness Act, H.R. 3631, would expand the law so Medicare recipients are protected.

The bill is supported by the AARP, the National Committee to Preserve Social Security and Medicare, the Center for Medicare Advocacy and other seniors' advocacy groups, including the Alliance for Retired Americans, and the National Active and Retired Federal Employees Association. The bill is deficit neutral, paid for through the Medicare Improvement Fund, a set-aside fund in Medicare.

Additionally, because Social Security's cost-of-living adjustment (COLA) is based on the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W), it does not accurately reflect the increase in costs of living experienced by seniors. Rather it is calculated

on the prices of goods and services for younger workers, who have very different spending habits than senior citizens. In particular, senior citizens spend much more on health care costs.

To help seniors in the long term, Mitchell has also co-sponsored H.R. 2429, the Consumer Price Index for Elderly Consumers, which would require the Bureau of Labor Statistics to publish a full and complete Consumer Price Index for Elderly Consumers (CPI-E) to be used in the calculation of annual Social Security COLAs.